

§ 14-426. Certain persons and transactions not deemed debt adjusters or debt adjustment.

The following individuals or transactions shall not be deemed debt adjusters or as being engaged in the business or practice of debt adjusting:

- (1) Any person or individual who is a regular full-time employee of a debtor, and who acts as an adjuster of his employer's debts.
- (2) Any person or individual acting pursuant to any order or judgment of a court, or pursuant to authority conferred by any law of this State or of the United States.
- (3) Any person who is a creditor of the debtor, or an agent of one or more creditors of the debtor, and whose services in adjusting the debtor's debts are rendered without cost to the debtor.
- (4) Any person who at the request of a debtor, arranges for or makes a loan to the debtor, and who, at the authorization of the debtor, acts as an adjuster of the debtor's debts in the disbursement of the proceeds of the loan, without compensation for the services rendered in adjusting such debts.
- (5) An intermittent or casual adjustment of a debtor's debts, for compensation, by an individual or person who is not a debt adjuster or who is not engaged in the business or practice of debt adjusting, and who does not hold himself out as being regularly engaged in debt adjusting.
- (6) An attorney-at-law licensed to practice in this State who is not employed by a debt adjuster.
- (7) An organization that provides credit counseling, education, and debt management services to debtors if the organization also does all of the following:
 - a. Provides individualized credit counseling and budgeting assistance to the debtor without charge prior to the debtor's enrollment in a debt management plan provided by the organization.
 - b. Determines that the debtor has the financial ability to make payments to complete the debt management plan and that the plan is suitable for the debtor.
 - c. Disburses the debtor's funds to creditors pursuant to a debt management plan that the debtor has paid for with no more than nominal consideration and has agreed to in writing.
 - d. Provides to the debtor, periodically and on no less than a quarterly basis, an individualized accounting for the most recent period of all of the debtor's payments and disbursements under the debt management plan and all charges paid by the debtor.
 - e. Does not directly or indirectly require the debtor to purchase other services or materials as a condition to participating in the debt management plan.
 - f. Does not receive a payment, commission, or other benefit for referring the debtor to a provider of services.
 - g. Is accredited by an accrediting organization that the Commissioner of Banks approves as being independent and nationally recognized for providing accreditation to organizations that provide credit counseling and debt management services. (1963, c. 394, s. 4; 2005-408, s. 1; 2007-79, s. 1.)